இணைப்பு.

[44 ஆம் பக்கத்தில் இனம் 4-க்கான அடிக்குறிப்பைக் காண்க.]

Address by Thiru K. K. Shah, Governor of Tamil Nadu to the Members of the Tamil Nadu Legislative Assembly and the Tamil Nadu Legislative Council, assembled together at the Assembly Chamber, Fort St. George at 10-00 a.m. on Thursday, the 17th January 1974.

Hon'ble Members of the Legislature,

I deem it my privilege to welcome you all to this Joint Session of the Legislature.

2. At the outset, I would like to refer to the sad demise of Periyar E. V. Ramaswami. In his death, we have lost a valiant freedom fighter, a fearless social reformer and a crusader against social oppression and inequity. His was a life totally dedicated to preaching the gospel of rationalism and to bettering the lot of the poor and the down-trodden. If the social conscience of to-day has become sensitive to man's inhumanity to man and if the hold of antiquated customs, ceremonies and superstitions over the people has been eroded, it is, to a great extent, due to the untiring efforts of Periyar, spread over half a century. We have become much the poorer, by his passing away.

3. In a predominantly monsoon-dependent economy like ours, the timely onset and adequacy of monsoon rains are crucial. During the year gone by, the South-West monsoon was subnormal, particularly in the vital catchment areas, leading to less than customary replenishment of the hydel reservoirs. This has compelled the Government to enforce a 15 per cent power cut. The North-East monsoon has been normal, but not without its vagaries in certain pockets.

4. It has been, and will continue to be the policy of this Government to take all such steps as may be necessary to free the State economy from the vagaries of the monsoons to the extent possible—by enhancing irrigation potential, by stepping up power generation from non-hydel sources, by transmitting power to every nook and corner of the State and by providing assured water-supply for drinking purposes in all needy areas, consistent with the resources available, both physical and financial. The per capita availability

of cultivable land being only about half an acre with an average annual rainfall of 30 inches to 40 inches and an irrigated area of only 40 per cent of the total, there is compelling need to develop and manage our water and power resources prudently to keep our population in reasonable comfort, even if this means making a massive investment of our scarce resources in these fields. The Government have been utilising a major portion of their plan resources for these purposes and they propose to set apart as much as Rs. 548 crores for expenditure in these vital sectors. The allotment for power is expected to be Rs. 326 crores; for irrigation, Rs. 129 crores and for urban and rural water-supply, Rs. 93 crores —out of the total outlay of about Rs. 1,200 crores proposed in the Fifth Plan.

5. Hon'ble Members are aware that Tamil Nadu has practically exhausted all its major sources of irrigation, but there are still some smaller sources left untapped or under-utilised which, if harnessed properly, could provide insurance against floods and drought at least in some areas. The suggestions of some of the Members to provide for irrigation schemes in drought prone areas have been taken note of and as many as 14 schemes at a total cost of Rs. 15.90 crores have been formulated for these areas. Besides, these 19 new medium schemes in other areas, at a total cost of Rs. 15 crores, have been included in the Fifth Plan.

6. Most of the irrigation systems in our State have developed over time, without adequate regulatory arrangements. A massive programme of modernising the various irrigation systems is proposed to be undertaken in stages. Improvements to Periyar channels will bring in a new area of 23,000 acres under cultivation, besides stabilising 8,000 acres of existing area. For construction of new tanks and improving the existing tanks, a provision of Rs. 30 crores is being made in the Fifth Plan under the Special Minor Irrigation Programme. A new programme of our Government to be taken up for implementation in the coming year relates to minor irrigation tanks vested with panchayat unions. These tanks number around 27,000. A large number of these are located in former zamin areas and have suffered neglect for years. It is proposed to take up the renovation and standardisation of these tanks by stages and for this, a provision of Rs. 15 crores has been made in the Fifth Plan. It is also proposed to sink 10,000 filter-point wells,

12,500 tube-wells, 4,000 bores in existing open wells and to deepen 10,000 open wells during the Fifth Plan period. Having exhausted most of the resources in regard to surface water, our attention should naturally turn to a scientific assessment of the available ground water resources and their utilisation. We have taken steps in this direction also.

7. We have reached a stage of national economic development when we have to think in terms of exploiting the water and power resources on a regional basis. Last year, I had suggested the formation of a Western Ghats Development Corporation to exploit the untapped water, power and other resources in this region. The Deputy Chairman of the Union Planning Commission recently convened a meeting of the representatives of Maharashtra, Kerala, Karnataka, Tamil Nadu and Goa to discuss the co-ordinated development of the Western Ghats. It is hoped that the Government of India will pursue vigorously this important suggestion.

8. The lack of mineral and other resources in the State has made it imperative that adequate power should be made available to help the local industries to enable them to process raw materials and 'intermediates' obtained from other regions. Similarly, we need more power to run agricultural pumpsets. An idea of the extent of dependence on electric power in the State may be had from the fact that well over 6.5 lakhs pumpsets and about 6,500 factory establishments, both big and small, accounting for more than 50 per cent of the State's total output, are dependent on electric power. Further, the demand for power is growing at the rate of 12.5 per cent per year. The present effective capacity for power generation is only 1,371 MW against the required capacity of 2,010 MW, leaving a deficit of 639 MW. This gap might widen to 2,189 MW by 1978–79, if we do not make any additions during the Fifth Five-Year Plan.

9. The Plan provides for an outlay of Rs. 326 crores for power, out of which, a sum of Rs. 180 crores is for generation, Rs. 90 crores for transmission, and Rs. 50 crores for rural electrification. The Government have plans to take up even small hydel schemes. They also propose to take up pumped storage schemes like Kadamparai, mainly to meet the peak-load demand. The main drawback of our hydel system is that major schemes like

Mettur and Periyar are tied up with irrigation despatches. They, therefore, suffer from inherent limitations in becoming firm generators of power. Even though the installed hydel capacity is of the order of 1,224 MW, the reliable capacity is about 775 MW only. The need for buttressing our power generation programme with thermal power plants is obvious. We have proposed two thermal projects for inclusion in the Fifth Plan, one at Tuticorin and the other at Mettur. You would be happy to learn that the Central Government has cleared the Tuticorin project. The benefits of this scheme to the extent of 400 MW are likely to accrue before the end of the Fifth Plan. Even if all the power likely to be generatal during the Plan period from continuing as well as new schemes is taken into account, there will still be a gap of 1,185 MW at the end of the Fifth Plan.

10. In this context, we should also take note of the current oil crisis and the need for tapping other fuel resources for generating power. This brings into sharp focus, the case for further development and exploitation of the Neyveli Lignite Mines. It takes seven to ten years for an open-cast mine of this kind to be fully developed. Even if we start to-day, more power will be generated at Neyveli from the second mine cut only during the Sixth Plan. Keeping all these factors in view, we have been emphasising the need for initiating work on the second mine cut at Neyveli and for establishing a second thermal station with a capacity of 1,000 M.W. The Government of Tamil Nadu consider that immediate sanction of this project is crucial for the well-being of the State and I would request the Union Government to take an early favourable decision regarding this. The commissioning of the Kalpakkam Atomic Energy Plant has been unduly delayed. Originally scheduled to be commissioned in 1970–71, it is now expected to be commissioned only by 1977–78. The expansion programme of the Atomic Plant should be taken up simultaneously, as any delay would only worsen the power situation in the State in the years to come.

11. Hon'ble Members are aware that the Government have undertaken a massive programme of extending water-supply to urban and rural areas. Out of a total of 2 Municipal Corporations, 99 Municipalities, 13 Townships and 626 Town Panchayats in the State, water-supply has been extended to both the Corporations, 87 Municipalities, 8 Townships and 71 Town Panchayats. Water-supply Schemes are under execution in 3 Municipalities and 37

Town Panchayats. In rural areas, we have already constructed about 72,600 wells and 5,700 overhead tanks and ground level reservoirs. It is proposed to take special steps to tackle the needs of problem areas, like endemic tracts, in the Fifth Plan period. As regards Madras City, work is in progress on the Veeranam Project, which will bring 40 million gallons of water per day. The scheme is likely to be completed in 1975. I wish to mention here the significant agreement reached between Tamil Nadu and Kerala regarding the supply of Siruvani water for Coimbatore town which has been under discussion for long. This agreement which is the outcome of understanding between neighbouring States will be a shining example of inter-State Co-operation. This scheme, which is estimated to cost about Rs. 10 crores, would bring in ultimately 23.5 million gallons of water per day to Coimbatore and other wayside towns and villages.

12. While water and power are critical inputs for stepping up agricultural and industrial production, to provide which we have taken and will continue to take all possible steps, there are many constraints, which operate in the field of agricultural and industrial production. You will appreciate that thanks to the integrated approach adopted by our Government in co-ordinating and making available all the necessary inputs simultaneously, the Green Revolution has been ushered in and the State now has a marginal surplus of foodgrains in relation to our needs. In 1973–74, our foodgrains production was originally estimated to be around 74 lakh tonnes. This estimate is now in jeopardy on account of the difficulties anticipated in securing adequate supplies of fertilisers and pesticides. Against 3.15 lakh tonnes of ' nitrogen ' needed in 1973–74, supplies have totalled to only 2.3 lakh tonnes. There is shortage of D.D.T. and B.H.C. also. We have requested the Government of India to take immediate steps to increase the indigenous production of fertilisers and pesticides and to import additional quantities of these vitally needed commodities.

13. Few will dispute the fact that Tamil Nadu will have to depend more and more on rapid industrialisation to improve its over-all economy. With this in view, we have done our best as regards industrial investment through the Tamil Nadu Industrial Development Corporation. We have proposed to expand the capacity of Tamil Nadu Cements from 4 lakh tonnes to 7 lakh tonnes per annum at a cost of Rs. 14 crores and to diversify the

line of manufacture in the Continuous Casting Plant at Arkonam at a cost of Rs. 5.6 crores. So far as Joint Sector Projects sponsored by the Corporation are concerned, work is going on at a pretty rapid pace on the massive fertiliser project coming up near Tuticorin, with a production capacity of 1,100 tonnes of ammonia and 1,600 tonnes of urea per day. The project is likely to be completed by June 1974. Preliminary work is also under way in respect of tyre, television, sodium hydrosulphite, borax, soda ash, salt and pharmaceutical projects. We have also requested the Central Government to approve the establishment of another big fertiliser plant in the joint sector in Tamil Nadu. The State Industries Promotion Corporation is also assisting entrepreneurs in setting up medium industries, particularly in backward areas of the State, by giving a package of incentives such as underwriting equity, provision of term-loans, interest-free sales tax loan and developed plots. The Corporation is also promoting an industrial complex at Ranipet. The Corporation's promotional activities have so far catalysed an investment of about Rs. 37 crores, creating direct employment for over 6,000 persons. The Government have also proposed to set up, during the Fifth Plan, eight new Sugar Mills.

14. The Government are giving all the support they can, to the Handloom industry in the State by way of organising and strengthening the co-operatives, by ensuring timely supply of quality yarn at reasonable rates through the Co-operative Spinning Mills and by granting substantial rebate on the cloth sold by the Co-operatives. A provision of nearly Rs. 18 crores is proposed to be made for development of handlooms in the Plan. All these would be effective, if the Centre reserves certain items for exclusive manufacture by Handlooms and makes suitable arrangements for timely supply of essential raw materials. The imposition of power cut, coupled with the sharp increase in cotton price last year, had led acute scarcity of yarn and phenomenal increase in its price, causing considerable hardship to the weavers. The Government of Tamil Nadu were able to ensure adequate supply of yarn at reasonable rates to all the weavers in the Co-operative Sector, by pooling the yarn produced by the Co-operative Spinning Mills and the mills taken over and run by the Tamil Nadu Textile Corporation. The problem of adequate supply of yarn to weavers outside the co-operative sector, however, continues to cause concern. Steps are being taken to tackle this problem also.

15. While this State has done its best to promote industrialisation, the Centre must come forward to make substantial investments in industries in the State. In 1973–74, the Centre has allocated only Rs. 40 crores for this State, out of a total of Rs. 1,506 crores for the whole country. This trend towards a decreasing share of Tamil Nadu in Central Industrial Projects, needs to be reversed. A sum of Rs. 19,200 crores has been ear-marked for the Central Sector in the Fifth Plan. It is hoped that a reasonable share of this amount will be invested in Tamil Nadu. Unless this is done, further development of the State will be seriously handicapped. The following new projects should be considered by the Centre for being taken up in the Central Sector :—

1. Second mine-cut at Neyveli.

2. Expansion of Kalpakkam Atomic Plant.

3. Setting up of another Nuclear Plant at Tuticorin.

4. Intensification of oil exploration in the Cauvery basin and off the coast of Tamil Nadu.

5. Conversion of Madras-Tuticorin railway line into broad-gauge.

6. Implementation of Sethusamudram Project.

7. Construction of a mass transit system in the Madras Metropoliton Area.

8. Establishment of a shipyard at Tuticorin.

9. Establishment of Defence Industries.

16. In spite of all that has been done on the agricultural and industrial fronts, the problem of poverty and unemployment continues to cause us grave concern. Our Special Employment Programmes including the Crash Scheme for Rural Employment, Youth Service Corps, Special Apprenticeship Training Scheme and Half-a million Jobs Programme for the educated unemployed, would generate around 40,000 jobs. Labour intensive programmes like minor irrigation, house building, and road-laying and road improvement, taken up under the Plan schemes, would also generate considerable employment opportunities. However, it would not be possible for the State Government alone to provide jobs for every one. Job opportunities on a much larger scale would emerge, only if middle class entrepreneurs are encouraged to save and invest. This is precisely what our Chief Minister has been emphasising repeatedly. It is with a view to enthusing such persons to take to

industries that we have been suggesting to the Central Government, the reorganisation of the income-tax structure, which would also minimise the evils of unaccounted money. It is to be sincerely hoped that the Central Government would act on our suggestion.

17. The cause of the poor and the down-trodden has always been dear to us and it provides the driving force for our Development Plans. For the uplift and advancement of the Scheduled Castes and Backward Classes, the Government have proposed to spend Rs. 91.50 crores during the Plan period, inclusive of the Plan provision of Rs. 24 crores. The massive Slum Clearance Programme, involving construction of 3,000 to 4,000 tenements per year, to house the slum dwellers, would continue. Under this programme, which is being implemented in Madras City by Slum Clearance Board and at Coimbatore, Madurai, Tiruchirappalli, Salem, Thanjavur and Cuddalore by the State Housing Board, 15,470 tenements have been constructed in the City and about 5,000 tenements have been constructed in the six other towns mentioned.

18. The draft Fifth Plan has been prepared by various working groups in consultation with the State Planning Commission. Preliminary discussions have taken place with the Central Planning Commission regarding the size of the Fifth Plan. We expect the size of the Plan to be fixed only after further discussions are held regarding Central Assistance for the Plan. Meanwhile, a series of discussions regarding the size of the Annual Plan for 1974–75 have been held and the latest indications given by the Union Planning Commission are favourable. We expect that we may be able to have an Annual Plan for 1974-75 of the order of Rs. 150 crores.

19. In this context, I must mention the award of the Sixth Finance Commission. We had hoped that the earlier trend of rewarding extravagance and penalising prudence will be reversed. We had also submitted proposals towards evolving a new federal financial structure. Unfortunately, the Sixth Finance Commission has continued the traditional line of filling gaps of States, without reference to the tax effort put in by them in relation to their State incomes.

20. As a result, out of Rs. 11,578 crores available for allocation among the States, we have been given only Rs. 626 crores, which works out to only 5.4 per cent. It is unfortunate that the Finance Commission has not chosen to reimburse our losses arising on

account of prohibition which is being enforced in pursuance of the constitutional directive. We have also not been given any share in the grant meant for upgrading standards of administration, education and health facilities.

21. One positive aspect of the Sixth Finance Commission's Report which needs to be welcomed is the rescheduling of debt recommended by the Commission and accepted by the Government of India. We are to obtain a relief of nearly Rs. 87 crores on this account during the Fifth Plan period. This is gratifying to us particularly because of the fact that Tamil Nadu has been in the forefront among the States requesting such rescheduling.

22. The Government of Tamil Nadu had requested the Sixth Finance Commission particularly to take into account the specific consequences which the Central Pay Commission's recommendations would have on the State Governments. Unfortunately, the Sixth Finance Commission has not built up in the structure of devolution of grants and taxes provision for the impact of such revisions of pay and allowances as may become inevitable as a result of the impact of the Central Pay Commission's recommendations. We have reiterated before many Commissions including the Sixth Finance Commission the urgent necessity to evolve a national wage price policy. The present situation in which, different sections of the people performing similarly arduous jobs under Government or under nationalised institutions, are remunerated unevenly is bound to lead to friction and frustration. We hope and trust that the Government of India will in consultation with the State Governments, try to evolve arrangements to bring about a national policy in this matter.

23. Before I conclude, I wish to mention the very large increase in the anticipated number of repatriates from Sri Lanka during the coming years. In fact nearly 57,000 families are expected to come over during the next five years. The expenditure needed to rehabilitate them would be of the order of Rs. 60 to 70 crores. While we welcome the return of our kith and kin from other countries, we have also to recognise the suffering and dislocation for these people. They should be properly looked after and jobs provided for them so that they do not feel that they are unwelcome in their country of origin. Besides, their return to India is a consequence of agreements reached at the national level. I do hope and trust that the Government of India will continue to treat

the rehabilitation and welfare of these repatriates as a national responsibility and help the States to provide adequate facilities for them.

24. The country is passing through very trying times due to national and international developments. Industrial production has been considerably handicapped by the credit squeeze imposed by the Reserve Bank of India. This tends to increase rather than decrease the pressure on prices. This policy deserves to be re-considered. The fuel crisis, sparked by the recent developments in the Middle-East has made the situation more difficult than before. The whole structure of economic policies for development with stability, for growth with social justice has to be examined in the light of the problems posed by these developments. The Government of Tamil Nadu feel that the situation is grave enough to call for a meeting of Chief Ministers so that the policies both for the short and long terms can be formulated and implemented to meet successfully these challenges to our nation's progress.

25. I look forward with great pleasure to your deliberations. I have no doubt that they will be conducted with a high sense of duty and responsibility and in a spirit of cordiality and mutual tolerance.

Vanakkam.

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